ERIC J. KFOURY, ESQ.

January 24, 2002

Honorable Colleen Kollar-Kotelly
U.S. District Court, District of Columbia
C/o Renata B. Hesse
Antitrust Division
U.S. Department of Justice
Suite 1200
Washington, DC 20530-0001

Dear Judge Kollar-Kotelly:

Please accept this letter of concern with regard to the terms of the settlement being proposed by the United States Department of Justice and Microsoft Corporation. Acceptance of this settlement will not dissuade Microsoft from continuing to pursue its established objective of market dominance, and, more importantly, will encourage other businesses to follow the lead in new and different markets without fear of any reprisals or interference from the government. In all, it is a seemingly toothless measure of exactitude that undermines the historical good achieved by the antitrust regulations of which Microsoft was duly found to be in violation.

The settlement purports to force Microsoft to share key information with competitors as a way of braking the stranglehold the company enjoys with its Windows product. However, it need only do so if Microsoft, itself, determines such divulgence would not hurt its security or product licensing. Further, the continued market dependency on Windows created by the fact Microsoft can bolt it to financial and cable services, as well as, the internet will adversely affect the affordability of new software being developed by other companies. As such, any potential competition will be priced out of the market and Microsoft will stand alone – the essence of a true monopoly.

Though there are other areas of the settlement that are problematic, the final concern stems from the notion that there can be a limit to the amount of time (e.g., five years) an antitrust violator should be subject to enforcement. If the government agrees to terms with a corporation to correct conditions set by monopolistic practices, there should be no expiration date with regard to the commitment to those terms.

An antitrust violation has been established. Irrespective of penalizing the violator, an equitable resolution must be found that opens up the market and ensures it remains a place where other businesses and entrepreneurs have a chance to succeed. This proposed settlement does not amount to such a resolution.

Very truly yours,

Cc:

Honorable Thomas Reilly, Attorney General

Commonwealth of Massachusetts

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